Office of Water 4303T

EPA-821-F-05-013 November 2005

## **FACT SHEET**

## **COOLING WATER INTAKE STRUCTURES - SECTION 316(b) Notice of Data Availability for Cooling Water Intake Structures** at Phase III Facilities

In November 2004, EPA proposed requirements for cooling water intake structures at certain existing facilities and new offshore and coastal oil and gas extraction facilities. Since that time, the Agency has received or collected significant data related to the costs and benefits of this regulation. This is the third in a series of rules designed to reduce harm to aquatic life that is taken up with cooling water. EPA is publishing this Notice of Data Availability (NODA) and reopening the comment period on the proposal for 30 days.

This NODA summarizes significant data EPA received or collected in response to the November proposal and discusses how EPA may use this data in revising its analyses. The National Oceanic and Atmospheric Administration submitted new information characterizing the nature and abundance of marine life near Gulf of Mexico offshore oil and gas extraction facilities that might be subject to regulation under Phase III. The NODA also discusses EPA's revision of parts of the proposed Phase III rule cost estimates and presents the revised costing information, including changes to the cost development methodology and the data inputs.

Lastly, the NODA describes changes to the economic analysis of the industry sectors potentially affected by the Phase III rule. We revised our economic impact analysis to include a category of industries that were identified as "other" in the proposal. The revised analysis captures the food and kindred products sector, the next largest user of cooling water among the "other industries."

The Agency is also examining a model that incorporates fish population dynamics not included in EPA's earlier modeling work and its potential utility for the benefits analysis.

## **Background**

Section 316(b) of the Clean Water Act requires EPA to ensure that the location, design, construction, and capacity of cooling water intake structures reflect the best technology available to minimize adverse environmental impact. Such impacts include death or injury to aquatic organisms by impingement (being pinned against screens or other parts of a cooling water intake structure) or entrainment (being drawn into cooling water systems and subjected to thermal, physical or chemical stresses).

EPA divided this rulemaking into three phases. Phase I for new facilities was completed in December 2001. Phase II, for existing electric generating plants that use at least 50 million gallons per day (MGD) of cooling water, was completed in July 2004. Phase III addresses existing facilities not covered by the Phase II rule that withdraw cooling water above a certain regulatory threshold. The Phase III rulemaking would also address new offshore and coastal oil and gas extraction facilities that are designed to withdraw at least two MGD. Any facility with an intake below these thresholds will continue to be subject to 316(b) requirements set by the Director on a case-by-case basis.

EPA proposed the following three options that, based on design intake flow and source waterbody, define three different instances in which existing facilities would be subject to new requirements. Either:

The facility has a total design intake flow of 50 MGD or more, and withdraws from any waterbody type; or

The facility has a total design intake flow of 200 MGD or more, and withdraws from any waterbody type; or

The facility has a total design intake flow of 100 MGD or more and withdraws water from an ocean, estuary, tidal river, or one of the Great Lakes.

Because the lowest proposed threshold is 50 MGD and EPA already established standards for power producers over 50 MGD in the Phase II rule, only existing manufacturing facilities (not power producers) and new oil and gas extraction facilities would be covered under the Phase III rule.

The existing manufacturing facilities subject to the rule would have to meet the same requirements as those established in the Phase II regulations for large-flow power plants. New oil and gas extraction facilities would be subject to the same requirements as new facilities covered under the Phase I rule. The NODA discusses new data received or collected since proposal that will change the analyses of benefits, costs and economic impacts.

## **How to Get Additional Information**

For more information, please call Paul Shriner at 202-566-1076 or send an email to <a href="mailto:shriner.paul@epa.gov">shriner.paul@epa.gov</a>. You can also learn more about this proposed rule, including how to submit comments to EPA, by visiting EPA's Internet web site at <a href="http://www.epa.gov/waterscience/316b/">http://www.epa.gov/waterscience/316b/</a>.